THE CORPORATION OF THE

CITY OF TIMMINS

CONSOLIDATED FINANCIAL STATEMENTS

FOR YEAR ENDED DECEMBER 31, 1985

CITY OF TIMMINS

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CITY OF TIMMINS

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CITY OF TIMMINS

(PROVINCE OF ONTARIO)

CITY COUNCIL 1983 - 1985

MAYOR

V.M. Power

ALDERMEN

Ward 1 - D. Welin	Ward 5 - L. DelVillano
Ward 2 - E.R. White	- D.W. Dewsbury
Ward 3 - L. Battochio	- M. Doody
Ward 4 - F. Krznaric	- D. Saudino

OFFICERS

Chief Administrative Officer	R.W. Canie MIMA
City Clerk	G. Chevrette AMCT, CMC
Treasurer	P.K. Deacon
Fire Chief	A. Schaffer
Police Chief	F. Schwantz
Director of Buildings & Maintenance	M. Niemi
Director of Public Works & Engineering	G. Quirion BScA, PEng
Director of Social & Family Services	J. Torlone, MA
Director of Parks & Recreation	F. Salvador
Director of Planning	R. Peterson BASc, MSc(P1)PEng

AUDITORS

Ross, Pope & Company, Chartered Accountants

BANKERS

Canadian Imperial Bank of Commerce

CITY OF TIMMINS

June 10, 1986

His Worship, Mayor Victor M. Power
and Members of the Council

It is my pleasure to submit, for the year ended December 31, 1985, the thirteenth year of operations of the City, the Report of the Treasurer, the Auditors' Report, and the Annual Financial Statements as required by City by-law 1973-6 and the Municipal Act.

The financial statements are a report on the administration of the City's financial affairs, while the Auditors' report attests that the financial statements present fairly the financial position and results of operations of the City. The report of the Treasurer as attached, reviews the highlights which occurred in 1985.

P.K. Deacon
Treasurer

CITY OF TIMMINS

TREASURY DEPARTMENT

TREASURER'S REPORT

The financial statements in this report conform with the requirements of the Ministry of Municipal Affairs. As will be seen from the attached Notes to the Financial Statements, these statements are of a consolidated nature. The following Local Boards, Municipal Enterprise and Corporation are included in the City's report:

Local Boards: Timmins Public Library Board

The Board of Management of the Downtown Timmins Business Improvement Area

Municipal Enterprise: The Water Supply System

Corporation: Timmins Economic Development Corporation

Unconsolidated Local Boards: The Mattagami Region Conservation Authority

The Porcupine Health Unit

The Board of Health of The Porcupine Health Unit Building Trust

Unconsolidated Local Corporation: The City of Timmins Non-Profit Housing Corporation

For information purposes, the financial statements for the four unconsolidated boards and corporation are attached to these financial statements in a condensed form.

As will be seen from the attached illustrations, the City's current operating revenues increased from $35,804,172 in 1984 to $36,758,692. This increase of $954,520 was due to an increase of $380,944 in user charges, $261,219 in municipal taxes, $444,021 in Province of Ontario Grants and a net decrease in other revenues of $131,664. Municipal tax revenues increased by $261,219 or 2.0% over that of 1984, which represents 35.8% of total municipal current operating revenues. Grants and subsidies accounted for a total of 43.2% and user charges accounted for 16.5%.

Municipal expenditures increased in 1985 by 2.7% or $954,520 over that of 1984 from $35,804,172 in 1984 to $36,758,692 in 1985.

Increases in expenditures occurred in all functional classifications with the exception of Environmental Services and Recreation and Cultural Services.

Significant increases occurred in expenditures for Protection to Persons and Property, Transportation Services, Social and Family Services and Planning and Development.

The increases of approximately $298,000 in Protection to Persons and Property and $300,000 in Transportation Services were mainly due to an increase in all services.

The increase of almost $540,000 in Social and Family Services was mainly due to an increase of $422,000 in general assistance and $98,000 in operating expenditures for the Golden Manor.

The increase of approximately $385,000 in Planning and Development was mainly due to the start of the debenture debt repayment for Downtown Revitalization.

As will be seen from the attached financial statements the City ended the year 1985 with a net surplus of $160,395. This surplus was comprised of the following:

- general city current operations	$147,865
- the Board of Managment of the Downtown Timmins Business Improvement Area	(5,687)
- the Timmins Economic Development Corporation	14,224
- the water supply system	3,993
	$160,395

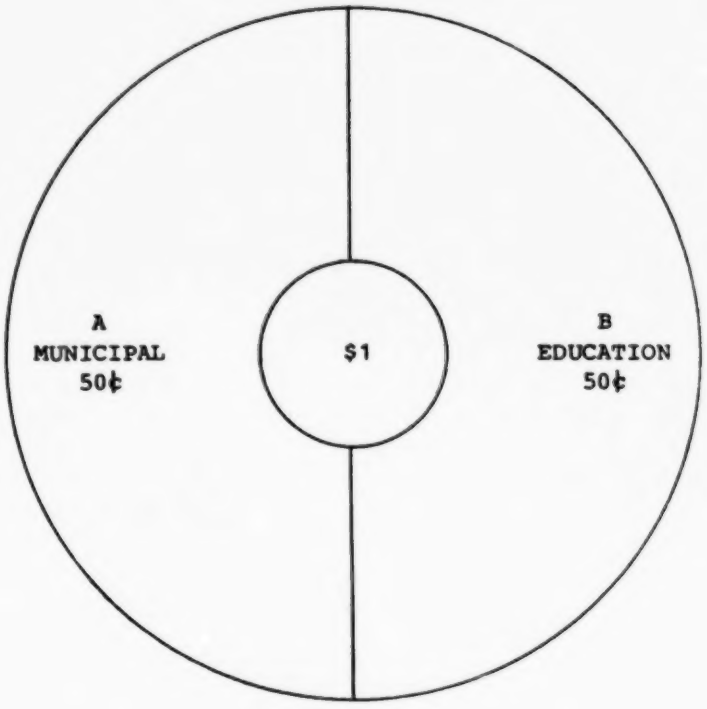
The percentage of outstanding taxes increased from 2.3% in the prior year to 2.9% in the current year. Of the outstanding taxes at December 31, 1985 amounting to $760,734 an amount of $426,915 has been collected as of the date of this report. The citizens of Timmins should again be commended for the prompt payment of their taxes, which keeps the cost of financing to a minimum.

The Municipality issued $2,262,587 in debentures in 1985 towards the City's share of the 1985 road and storm sewer program, downtown improvements and renovations to the McIntyre Community Centre.

In addition to the issuance of long-term debt as above the City received $11,704 in grants from Government of Canada, $3,262,376 in grants from the Province of Ontario toward the cost of various capital construction projects; other revenues of $130,292 and appropriated $1,060,718 from current operations, $537,955 from reserves and $409,565 from reserve funds to meet capital operating expenditures of $7,804,525 as shown on the Consolidated Statement of Operations and Schedule 2 attached. Capital operations resulted in unexpended funds of $809,229 at December 31, 1985. These funds will be utilized in capital projects already in progress or to be commenced in 1986.

CITY OF TIMMINS

1985 TAX DOLLAR APPORTIONMENT

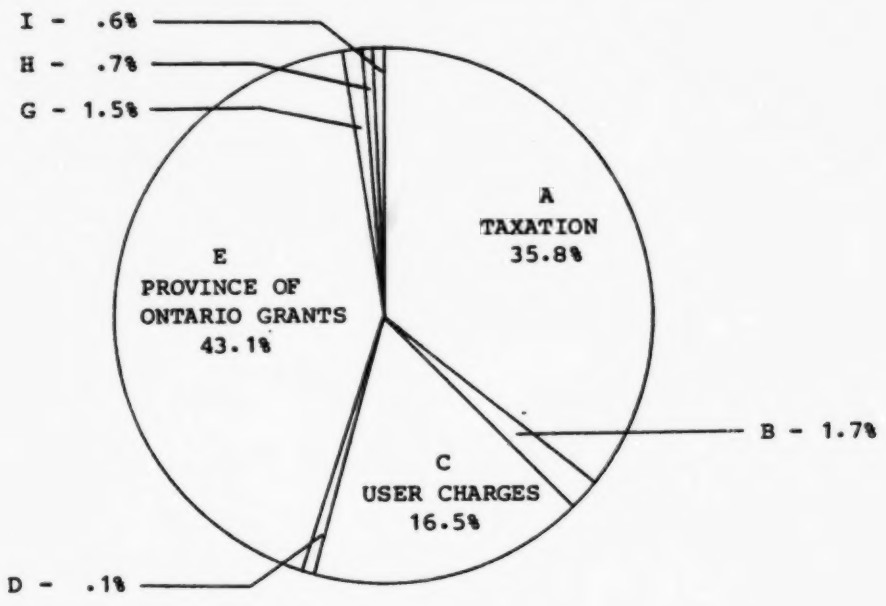


	Particulars	Amounts	Apportionment
A	Municipal Levy		
	Collectible From Taxpayers	$13,158,469	$ .50
B	Education Levy		
	Collectible From Taxpayers	13,302,364	.50
	Total Tax Levy	$26,460,833	$1.00

CITY OF TIMMINS

1985 CURRENT OPERATIONS

REVENUE



SOURCE OF REVENUE

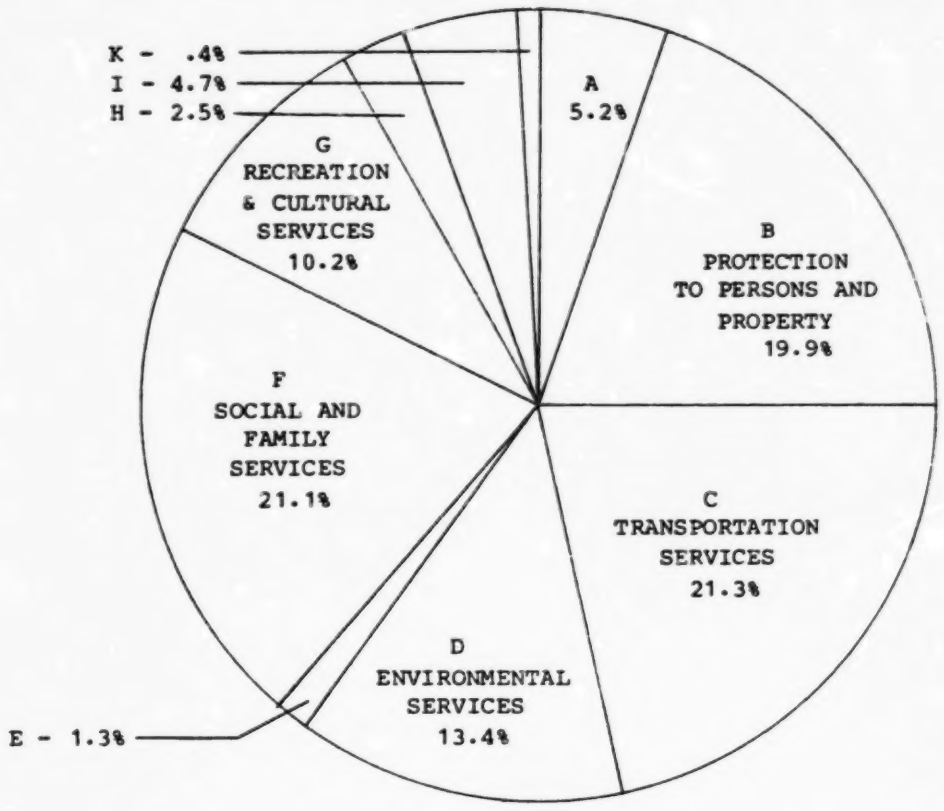
	Particulars	Year 1985 Amount	Year 1985 Percentage of Total	Year 1984 Amount	Year 1984 Percentage of Total
A	Taxation *	$13,158,469	35.8	$12,897,250	36.1
B	Taxation from other governments *	618,773	1.7	624,253	1.8
C	Users charges (including water charges of $1,790,201 (1984 $1,762,429))	6,081,509	16.5	5,700,565	15.9
	Grants				
D	Government of Canada	43,735	.1	142,971	.1
E	Province of Ontario	15,834,056	43.1	15,390,035	43.0
	Other				
F	Contributions from Developers	-	-	232,655	.7
G	Investment income	533,751	1.5	589,572	1.7
H	Other	270,879	.7	226,871	.7
I	Surplus of prior year	217,520	.6	-	-
		$36,758,692	100.0	$35,804,172	100.0

* Does not include education taxation, of $13,302,364 and $150,514 for payments in lieu of taxes for the year 1985 and $12,470,390 and $143,053 respectively for the year 1984.

CITY OF TIMMINS

1985 CURRENT OPERATIONS

EXPENDITURES



CLASSIFICATION OF EXPENDITURES

	Particulars	Year 1985 Amount	Year 1985 Percentage of Total	Year 1984 Amount	Year 1984 Percentage of Total
A	General Government	$ 1,914,160	5.2	$ 1,788,724	5.0
B	Protection to Persons and Property	7,310,485	19.9	7,012,884	19.6
C	Transporation Services	7,835,521	21.3	7,535,904	21.1
D	Environmental Services	4,924,746	13.4	5,414,704	15.1
E	Health Services	477,761	1.3	465,310	1.3
F	Social and Family Services	7,747,779	21.1	7,208,479	20.1
G	Recreation and Cultural Services	3,725,560	10.2	3,932,697	11.0
H	Planning and Development	923,661	2.5	536,579	1.5
I	Appropriations to other funds	1,738,624	4.7	1,621,285	4.5
J	Deficit from the prior year	-	-	70,086	.2
K	Surplus for the year	160,395	.4	217,520	.6
		* $36,758,692	100.0	* $35,804,172	100.0

* Does not include education expenditure of $13,452,878 for the year 1985 and $12,613,443 for the year 1984 respectively.

CITY OF TIMMINS

SIX YEAR FINANCIAL REVIEW

(NOT SUBJECT TO AUDIT)

		1985	1984	1983	1982	1981	1980
1.	Population at the end of the year	45,627	45,694	45,503	44,962	45,011	44,513
2.	Area in acres at the end of the year	783,360	783,360	783,360	783,360	783,360	783,360
3.	Employees - continuous full time	540	551	553	545	541	537
	- part time	183	170	142	152	144	140
4.	Number of households	16,886	16,620	16,435	16,213	16,220	16,042
5.	Assessment						
	Taxable assessment upon which the year's rates of taxation were set						
	Residential and farm	$ 69,865	$ 68,213	$ 66,574	$ 65,355	$ 64,258	$ 63,191
	Commercial and industrial	39,700	39,128	39,010	38,280	32,392	32,519
	Business	18,734	18,597	18,612	18,281	14,781	14,437
	Total	$128,299	$125,938	$124,196	$121,916	$111,431	$110,147
	Per capita	$ 2,812	$ 2,756	$ 2,729	$ 2,712	$ 2,476	$ 2,475
	Commercial and industrial, and business as a percentage of taxable assessment	45.5%	45.8%	46.4%	46.4%	42.3%	42.6%
	Exempt assessment	$ 28,203	$ 28,217	$ 27,339	$ 31,113	$ 29,205	$ 25,025
	Provincial equalization factor	9.97	10.87	12.99	12.19	13.00	13.77
6.	Rates of taxation						
	Residential and farm mill rate						
	for general municipal purposes	90.08	90.08	79.31	74.52	68.75	59.50
	for school board purposes	92.91	88.17	83.99	78.81	68.74	59.67
	Total	182.99	178.25	163.30	153.33	137.49	119.17
	Commercial and industrial mill rate						
	for general municipal purposes	105.97	105.97	93.31	87.68	80.88	70.00
	for school board purposes	109.30	103.73	98.81	92.72	80.87	70.20
	Total	215.27	209.70	192.12	180.40	161.75	140.20

7. Revenue for general municipal services						
Taxation	$ 13,158	$ 12,897	$ 11,147	$ 10,303	9,133	$ 7,392
Payments in lieu of taxes	619	624	601	605	602	534
Ontario grants	15,834	15,390	15,202	13,422	12,042	10,955
Other grants	44	143	253	21	24	19
User charges	6,081	5,701	4,951	4,259	3,846	3,370
Other	805	1,049	862	$ 1,731	1,533	1,123
Total	$ 36,541	$ 35,804	$ 33,016	$ 30,341	$ 27,180	$ 23,393
8. Tax arrears - per capita	$ 16.67	$ 12.85	$ 7.81	$ 10.76	$ 7.95	$ 7.53
- percentage of current levy	2.9%	2.3%	1.5%	2.3%	3.1%	.3%
9. Expenditure - general municipal	$ 36,598	$ 35,516	$ 32,966	$ 30,577	$ 27,176	$ 23,396
10. Transfers to the school boards	$ 13,453	$ 12,613	$ 11,727	$ 10,830	$ 9,100	$ 7,326
11. Net long-term liabilities	$ 13,487	$ 12,704	$ 11,211	$ 10,510	$ 9,155	$ 9,723
General municipal activities	$ 296	$ 278	$ 246	$ 233	$ 213	$ 218
- per capita	10.5%	10.1%	9.0%	8.6%	8.2%	8.8%
- percentage of taxable assessment	$ 1,068	$ 1,181	$ 1,698	$ 1,830	$ 1,959	$ 2,086
Municipal enterprises						
12. Charges for net long-term liabilities	$ 2,909	$ 2,771	$ 2,548	$ 2,275	$ 1,916	$ 1,961
General municipal activities	$ 64	$ 61	$ 56	$ 51	$ 43	$ 44
- per capita	22.67	22.00	20.52	18.66	17.19	17.80
- as a mill rate						
13. Capital financing during the year	$ 2,008	$ 1,811	$ 1,836	$ 1,412	$ 2,347	$ 1,588
Contributions from own funds	2,263	3,067	604	2,852	1,422	562
Long-term liabilities incurred	3,262	6,747	2,497	3,249	2,101	1,857
Ontario grants	142	339	15	335	190	(108)
Other						
Total	$ 7,675	$ 11,964	$ 4,952	$ 7,848	$ 6,060	$ 3,899
14. Capital expenditure during the year	$ 7,805	$ 11,968	$ 5,687	$ 8,185	$ 3,881	$ 4,947
15. Accumulated net revenue (deficit) at the end of the year	$ 160	$ 218	$ (70)	$ (120)	$ 116	$ 112
16. Reserves and reserve funds	$ 5,273	$ 6,180	$ 5,802	$ 6,258	$ 4,848	$ 3,835

All dollar amounts are in thousands of dollars, except per capita figures.

Ross, Pope & Company
Chartered Accountants

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101 CEDAR STREET SOUTH
TIMMINS, ONTARIO
P4N 2G7

AUDITORS' REPORT

To the Members of Council, Inhabitants and
Ratepayers of the Corporation of the
City of Timmins

We have examined the consolidated balance sheet of the Corporation of the City of Timmins as at December 31, 1985 and the consolidated statement of operations for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the Corporation of the City of Timmins as at December 31, 1985 and the results of its operations for the year then ended in accordance with accounting principles prescribed for Ontario municipalities applied on a basis consistent with that of the preceding year.

Ross, Pope & Company

Timmins, Ontario,
June 10, 1986.

ROSS, POPE & COMPANY,
CHARTERED ACCOUNTANTS.

Licence No. 1049

Statement 1

CITY OF TIMMINS

CONSOLIDATED BALANCE SHEET

AS AT DECEMBER 31, 1985

Assets	1985	1984
	$	$
Unrestricted		
Cash	823,427	741,026
Taxes receivable	760,734	587,017
User charges receivable	150,147	144,396
Accounts receivable	2,698,435	2,820,281
Other current assets	499,904	504,251
	4,932,647	4,796,971
Restricted		
Cash	2,934	72,878
Investments (Note 5)	3,159,100	2,459,000
Long-term receivables	14,358	1,098,883
Investment in own debentures (Note 5)	1,344,000	1,533,000
	4,520,392	5,163,761
Capital outlay financed by long-term liabilities and to be recovered in future years (Note 1(b))	14,555,209	13,885,055
	24,008,248	23,845,787
Liabilities		
Accounts payable and accrued liabilities	2,819,144	2,239,619
Other current liabilities	391,810	384,577
	3,210,954	2,624,196
Net long-term liabilities (Note 8)	14,555,209	13,885,055
	17,766,163	16,509,251
Fund balances at the end of the year (Note 9)		
To be used to offset (or to be recovered from) taxation or user charges in 1986 (Note 9)	160,395	217,520
Unapplied capital receipts (Note 9)	809,229	938,557
Reserves (Note 10)	435,305	702,502
Reserve funds (Note 10)	4,837,156	5,477,957
	6,242,085	7,336,536
	24,008,248	23,845,787

The accompanying notes are an integral part of these financial statements.

Statement 2

CITY OF TIMMINS

CONSOLIDATED STATEMENT OF OPERATIONS

FOR YEAR ENDED DECEMBER 31, 1985

	Revenue Fund		Capital Fund	Reserve Fund	Reserves	1985 Total	1984 Total
	Budget	Actual	Actual	Actual	Actual	Actual	Actual
	$	$	$	$	$	$	$
Source of Financing							
Taxation and user charges							
Residential and farm taxation	12,882,478	12,981,014	-	-	-	12,981,014	12,349,994
Commercial, industrial and business taxation	13,454,759	13,479,819	-	-	-	13,479,819	13,017,646
Taxation from other governments	761,000	769,287	-	-	-	769,287	767,306
User charges	5,657,325	6,081,509	-	-	-	6,081,509	5,700,565
Grants							
Government of Canada	35,000	43,735	11,704	-	-	55,439	142,971
Province of Ontario	15,891,500	15,834,056	3,262,376	-	-	19,096,432	22,136,967
Other							
Contributions from developers	-	-	-	301,645	-	301,645	232,655
Investment income	682,600	533,751	-	469,921	-	1,003,672	1,119,695
Other	214,000	270,879	130,292	190,948	-	592,119	642,055
Deduct:							
Amounts received for school boards	(13,391,256)	(13,452,878)	-	-	-	(13,452,878)	(12,613,443)
	36,187,406	36,541,172	3,404,372	962,514	-	40,908,058	43,496,411
Proceeds from the issue of long-term liabilities	-	-	2,262,587	-	-	2,262,587	3,066,867
Expenditures							
General government	1,740,535	1,914,160	11,580	-	-	1,925,740	2,017,554
Protection to persons and property	7,110,298	7,310,485	115,898	-	-	7,426,383	7,158,682
Transportation services	8,098,793	7,835,521	2,113,195	-	-	9,948,716	9,193,161
Environmental services	4,966,271	4,924,746	3,070,532	-	-	7,995,278	13,164,549
Health services	476,200	477,761	10,591	300,000	-	788,352	465,310
Social and family services	7,783,150	7,747,779	568	-	-	7,748,347	7,213,479
Recreation and cultural services	3,898,175	3,725,560	803,760	-	-	4,529,320	4,312,067
Planning and development	931,623	923,661	1,678,401	-	-	2,602,062	2,376,772
	35,005,045	34,859,673	7,804,525	300,000	-	42,964,198	45,901,574
Excess of financing over (under) expenditures	1,182,361	1,681,499	(2,137,566)	662,514	-	206,447	661,704
Appropriations							
Net appropriations between funds	(1,399,881)	(1,738,624)	2,008,238	(1,303,316)	(267,197)	(1,300,899)	-
Fund balances at the beginning of the year	217,520	217,520	938,557	5,477,958	702,502	7,336,537	6,674,833
Fund balances at the end of the year	-	160,395	809,229	4,837,156	435,305	6,242,085	7,336,537

The accompanying notes are an integral part of these financial statements.

Ross, Pope & Company
Chartered Accountants

TELEPHONE 264-9484
101 CEDAR STREET SOUTH
TIMMINS, ONTARIO
P4N 2G7

AUDITORS' REPORT

To the Members of Council, Inhabitants and
Ratepayers of the Corporation of the
City of Timmins

We have examined the balance sheet of the trust funds of the Corporation of the City of Timmins as at December 31, 1985 and the statement of continuity of the trust funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the trust funds of the Corporation of the City of Timmins as at December 31, 1985 and the continuity of the trust funds for the year then ended in accordance with accounting principles prescribed for Ontario municipalities applied on a basis consistent with that of the preceding year.

Ross, Pope & Company

Timmins, Ontario,
June 10, 1986.

ROSS, POPE & COMPANY,
CHARTERED ACCOUNTANTS.

Licence No. 1049

CITY OF TIMMINS

TRUST FUNDS BALANCE SHEET

AS AT DECEMBER 31, 1985

	Total	Cemetery Perpetual Care Funds	Residents' Trust Accounts Home For The Aged	Subdividers' Deposits for Installation of Services	Franz E. Jokela Bequest to The Home For The Aged	Museum Donations	Water Projects	B. Vidmar New Library Trust	OHRP OHRP (Rental) Trust
	$	$	$	$	$	$	$	$	$
Assets									
Cash	358,543	1,014	355,625	1,369	70	465	-	-	-
Accounts receivable	1,104,384	-	-	-	-	-	-	-	1,104,384
	1,462,927	1,014	355,625	1,369	70	465	-	-	1,104,384
Investments, at cost (market value $925,400)									
Municipal - own	206,000	196,000	-	-	-	-	-	10,000	-
Bank term deposits	719,400	97,000	400,000	196,500	10,900	15,000	-	-	-
	925,400	293,000	400,000	196,500	10,900	15,000	-	-	-
Due from revenue fund	258,833	-	-	-	-	-	-	-	258,833
	2,647,160	294,014	755,625	197,869	10,970	15,465	-	10,000	1,363,217
Liabilities									
Balance - capital	2,647,160	294,014	755,625	197,869	10,970	15,465	-	10,000	1,363,217
	2,647,160	294,014	755,625	197,869	10,970	15,465	-	10,000	1,363,217

The accompanying notes are an integral part of these financial statements.

Statement 4

CITY OF TIMMINS

TRUST FUNDS STATEMENT OF CONTINUITY

FOR YEAR ENDED DECEMBER 31, 1985

	Total	Cemetery Perpetual Care Funds	Residents' Trust Accounts Home For The Aged	Subdividers' Deposits for Installation of Services	Franz E. Jokela Bequest to The Home For The Aged	Museum Donations	Water Projects	B. Vidmar New Library Trust	OHRP OHRP (Rental) Trust
	$	$	$	$	$	$	$	$	$
Balance at the beginning of the year	1,090,569	275,838	680,692	14,993	10,117	16,375	92,554	-	-
Capital receipts									
Transfer from reserves - OHRP (Note 13)	1,300,899	-	-	-	-	-	-	-	1,300,899
Perpetual care funds received	18,176	18,176	-	-	-	-	-	-	-
Received from or on behalf of the residents	325,290	-	325,290	-	-	-	-	-	-
Contractors deposits	180,000	-	-	180,000	-	-	-	-	-
Donations received	10,000	-	-	-	-	-	-	10,000	-
Interest earned	190,411	32,093	63,639	2,876	853	1,390	2,642	-	86,918
	2,024,776	50,269	388,929	182,876	853	1,390	2,642	10,000	1,387,817
Expenditure									
Payments to or on behalf of residents	313,996	-	313,996	-	-	-	-	-	-
Transfers to capital fund	95,196	-	-	-	-	-	95,196	-	
Transfers to revenue fund	34,393	32,093	-	-	-	2,300	-	-	-
OHRP - administration fees	17,288	-	-	-	-	-	-	-	17,288
OHRP - accounts written off	7,312	-	-	-	-	-	-	-	7,312
	468,185	32,093	313,996	-	-	2,300	95,196	-	24,600
Balance at the end of the year	2,647,160	294,014	755,625	197,869	10,970	15,465	-	10,000	1,363,217

The accompanying notes are an integral part of these financial statements.

CITY OF TIMMINS

NOTES TO FINANCIAL STATEMENTS

FOR YEAR ENDED DECEMBER 31, 1985

1. Accounting Policies

(a) Basis of Consolidation

(i) Consolidated Balance Sheet

This statement reflects the assets and liabilities of the revenue fund, reserve funds, the capital fund and includes the activities of all committees of Council and the following local boards, municipal enterprise and corporation which are under the control of Council:

The Timmins Public Library Board
The Board of Management of The Downtown Timmins Business Improvement Area
The Water Supply System
The Timmins Economic Development Corporation

On the "Consolidated Balance Sheet" interfund assets and liabilities are eliminated with the exception of loans or advances between the reserve funds and other funds of the Municipality.

(ii) Consolidated Statement of Operations

This statement reflects the consolidated sources of financing and expenditures of the revenue fund, reserves, reserve funds, and the capital fund of the Municipality and those local boards, municipal enterprise and corporation described in Note 1(a)(i).

All interfund sources of financing and expenditures are eliminated with the exception of interest income and expenses arising from loans and advances between the reserve funds and other funds of the Municipality.

(iii) Non-consolidated Entities

For the local boards, municipal enterprise and corporation of the Municipality which are not consolidated, the "Consolidated Balance Sheet" does not reflect their assets or liabilities except, to the extent of amounts due to or from those entities. The "Consolidated Statement of Operations" does not reflect their revenues and expenditures except, to the extent of the Municipality's contribution to those entities.

Those entities which are not consolidated are as follows:

The Mattagami Region Conservation Authority
The Porcupine Health Unit (A Joint Board)
The Board of Health of The Porcupine Health Unit Building Trust
The City of Timmins Non-Profit Housing Corporation

1. Accounting Policies (Cont'd)

(iv) The taxation and other revenues with respect to the operations of the school boards, are reflected in the " Consolidated Statement of Operations" but with no effect on the Municipal Fund Balances since the total is shown as a deduction.

In addition the expenditures, assets and liabilities with respect to the operations of the school boards are not reflected in these financial statements.

(v) Trust funds and their related operations administered by the Municipality are not consolidated but, are reported separately on the "Trust Funds Statement of Continuity and Balance Sheet".

(b) Basis of Accounting

(i) Sources of financing and expenditures are reported on the accrual basis of accounting with the exception of principal and interest charges on long-term liabilities which are charged against operations in the periods in which they are paid. The principal and interest charges are not accrued for the periods from the dates of the latest instalment payments to the end of the financial year. See further details in Note 12 below.

(ii) The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(iii) Fixed Assets

The historical cost and accumulated depreciation of fixed assets are not reported for municipal purposes. Fixed assets are reported as an expenditure on the " Consolidated Statement of Operations" in the year of acquisition. For those fixed assets financed or to be financed by the issue of long-term indebtedness, the principal and interest on the long-term indebtedness are also reported on the " Consolidated Statement of Operations" as they are paid.

(iv) Capital Outlay to be Recovered in Future Years

"Capital outlay to be recovered in future years," which represents the outstanding principal portion of unmatured long-term liabilities for municipal expenditures or capital funds transferred to other organizations, is reported on the "Consolidated Balance Sheet."

2. Operations of School Boards

Further to Note 1(a)(iv), the taxation, other revenues, expenditures and overlevies (underlevies) of the school boards are comprised of the following:

	1985	1984
	$	$
Taxation and user charges	13,302,364	12,470,390
Grants	150,514	143,053
	13,452,878	12,613,443
Requisitions	13,452,878	12,613,443
Overlevies (Underlevies) for the year	-	-

These revenues and expenditures are not reflected in the "Consolidated Statement of Operations".

3. Contributions to Unconsolidated Joint Boards

Further to Note 1(a)(iii), the assets and liabilities of the Porcupine Health Unit and The Board of Health of The Porcupine Health Unit Building Trust have not been consolidated and are not reported on the "Consolidated Balance Sheet".

The operations of the Porcupine Health Unit and The Board of Health of The Porcupine Health Unit Building Trust have also not been consolidated. The "Consolidated Statement of Operations" includes only the following contributions made to the Porcupine Health Unit:

	1985	1984
	$	$
Grant	285,335	274,413

The Municipality is also contingently liable for its share, which is approximately 51.80%, of the long-term liability issued by The Board of Health of The Porcupine Health Unit Building Trust for its administration office building as under:

	1985	1984
	$	$
Contingent long-term liability	166,941	183,019

4. Trust Funds

Trust funds administered by the Municipality amounting to $2,647,160 (1984 $1,090,569) have not been included in the "Consolidated Balance Sheet" nor have their operations been included in the "Consolidated Statement of Operations".

5. Investments

The total investments of $4,503,100 (1984 $3,992,000) are recorded on the "Consolidated Balance Sheet" at cost which equals market value.

6. Liability for Past Service Provision of Pension Agreements

Under the past service provision of pension agreements, the Municipality is obligated at December 31, 1985 for an amount of approximately $201,710 (1984 $201,710) as established for the plans. An amount of $94,258 (1984 $84,490) has been provided to date for this past service liability and no provision has been made for this liability. The balance of this liability will be funded by annual payments of $15,859 including interest for 10 years. An amount of $15,859 (1984 $15,859) has been provided for in the current year and is reported on the "Consolidated Statement of Operations".

7. Liability for Vested Sick Leave Benefits (Cont'd)

Under the sick leave benefit plan, unused sick leave can accumulate and employees under this plan are entitled to a cash payment when they leave the Municipality's employment.

The liability for these accumulated days to the extent that they have vested and could be taken in cash by an employee on terminating, amounted to $2,483,092 (1984 $2,286,612) at the end of the year. An amount of $800,593 (1984 $715,101) has been provided for this past service liability and is reported on the "Consolidated Balance Sheet". An amount of $100,380 (1984 $71,400) has been provided for in the current year and is reported on the "Consolidated Statement of Operations".

In addition to the liability for $2,483,092 referred to above, the Municipality has a contingent liability of $421,345 to various employees being dependent for payment upon employees' absences through sickness and upon certain of such employees completing the qualifying period when the contingent liability will become firm and fully payable.

8. Net Long-term Liabilities

(a) The balance of net liabilities reported on the "Consolidated Balance Sheet" is made up of the following:

	1985	1984
	$	$
Total long-term liabilities incurred by the Municipality including those incurred on behalf of school boards, other boards, municipal enterprise and corporation and outstanding at the end of the year amount to	16,797,764	16,240,645

CITY OF TIMMINS

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FOR YEAR ENDED DECEMBER 31, 1985

8. Net Long-term Liabilities (Cont'd)

	1985	1984
	$	$
Of the long-term liabilities shown above, the responsibility for payment of principal and interest charges has been assumed by school boards. At the end of the year, the outstanding principal amount of this liability is	(2,187,602)	(2,294,021)
Of the long-term liabilities shown above, the responsibility for payment of principal and interest charges for tile drainage assitance loans has been assumed by individuals. At the end of the year, the outstanding principal amount of this liability is	(54,953)	(61,569)
Net Long-term liabilities at the end of the year	14,555,209	13,885,055

(b) Of the net long-term liabilities reported in (a) of this note, $10,407,924 in principal payments are payable from 1986 to 1990, $2,737,070 from 1991 to 1995 and $1,350,215 thereafter and are summarized as follows:

	1986 to 1990	1991 to 1995	1996 and thereafter
	$	$	$
From general municipal revenues	9,741,924	2,395,070	1,350,215
From consolidated municipal enterprises	726,000	342,000	-
	10,467,924	2,737,070	1,350,215

(c) Approval of the Ontario Municipal Board has been obtained for the long-term liabilities reported on the "Consolidated Balance Sheet".

(d) The Municipality is contingently liable for long-term liabilities with respect to tile drainage assistance loans and to those for which the responsibility for the payment of principal and interest has been assumed by school boards. The total amount outstanding as at December 31, 1985 is $2,242,555 (1984 $2,355,590) and is not recorded on the "Consolidated Balance Sheet".

9. Fund Balances at the End of The Year (Cont'd)

(a) The balance on the "Consolidated Balance Sheet" and "Consolidated Statement of Operations" to be used to offset (or to be recovered from) taxation or user charges in 1986 in the amount of $160,395 (1985 $217,520) is comprised of the following:

	1985	1984
	$	$
For general reduction (increase) of taxation		
- general City taxation	147,865	37,487
- the Board of Management of the Downtown Timmins Business Improvement Area	(5,687)	(15,730)
- the Timmins Economic Development Corporation	14,224	9,451
	156,402	31,208
For general reduction (increase) of user charges		
- the Water Supply System	3,993	186,312
	160,395	217,520

The balance on the "Consolidated Balance Sheet" and "Consolidated Statement of Operations" being net Unapplied Capital Receipts at the end of the year 1985 in the amount of $809,229 (1984 $938,557) is comprised of the following:

	1985	1984
	$	$
Funds available for the acquisition of certain designated fixed assets	1,323,749	1,788,763
Acquisition of fixed assets to be recovered from grants and subsidies previously approved temporarily financed by unapplied capital receipts	(514,520)	(850,206)
	809,229	938,557

ITY OF TIMMINS

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FOR YEAR ENDED DECEMBER 31, 1985

10. Reserves and Reserve Funds

The total balance of reserves in the amount of $435,305 (1984 $702,502) and reserve funds of $4,837,156 (1984 $5,477,957) is made up of the following:

	1985	1984
	$	$
Set aside for specific purpose by Council		
For acquisition of fixed assets	8,966	98,662
For working capital	401,339	401,339
For election	25,000	75,000
For Mattagami Region Conservation Authority project	-	127,501
Total reserves	435,305	702,502
Set aside for specific purpose by Council		
For acquisition of fixed assets	2,139,326	1,539,112
For sick leave	800,593	715,101
For hospital expansion	715,001	878,540
For general municipal purporses	596,330	540,016
	4,251,250	3,672,769
Set aside for specific purposes by legislation, regulation or agreement		
For park purposes	76,680	45,499
For loans under the Ontario Home Renewal Plan	-	1,300,899
For parking purposes	509,226	458,790
	585,906	1,805,188
Total reserve funds	4,837,156	5,477,957

11. Charges For Net Long-term Liabilities

Total charges for the year for net long-term liabilities which are reported on the "Consolidated Statement of Operations" are as follows:

	$	$
Principal payments	1,592,433	2,038,062
Interest	1,529,310	1,404,458
	3,121,743	3,442,520

The charges for long-term liabilities assumed by the non-consolidated entities or by individuals in the case of tile drainage loans are not reflected in these statements.

12. Nonaccrual of Interest on Long-term Liabilities

No provision has been made in these financial statements for the accrual of interest on the net long-term liabilities. Had this provision been made, the municipal fund balances as at December 31, 1985 would have been decreased by $197,302 (1984 $177,049).

13. Ontario Home Renewal Program

Effective January 1st, 1985, amendments to regulations require that the Ontario Home Renewal Program funds be accounted for as a trust fund and no longer as a reserve fund. This transfer of the fund balance has reduced the total opening reserve fund balances by $1,300,899 and is not reflected in the "Consolidated Statement of Operations". The 1985 transactions for this Program are reflected in the financial statements for the trust funds of the municipality.

CITY OF TIMMINS

Schedule 1

ANALYSIS OF CURRENT OPERATIONS

FOR YEAR ENDED DECEMBER 31, 1985

	1984 Actual	1985 Actual	1985 Budget	Comparison Over (Under)
Revenue	$	$	$	$
Taxation and user charges				
Residential and farm taxation	12,349,994	12,981,014	12,882,478	98,536
Commercial, industrial and business taxation	13,017,646	13,479,819	13,454,759	25,060
Taxation from other governments	767,306	769,287	761,000	8,287
User charges	5,700,565	6,081,509	5,657,325	424,184
Deduct amounts received for school boards	(12,613,443)	(13,452,878)	(13,391,256)	(61,622)
Grants				
Government of Canada	142,971	43,735	35,000	8,735
Province of Ontario	15,390,035	15,834,056	15,891,500	(57,444)
Other				
Contributions from developers	232,655	-	-	-
Investment income	589,572	533,751	682,600	(148,849)
Other	226,871	270,879	214,000	56,879
Net Municipal Revenue	35,804,172	36,541,172	36,187,406	353,766
Expenditures				
General government	1,788,724	1,914,160	1,740,535	173,625
Protection to persons and property	7,012,884	7,310,485	7,110,298	200,187
Transportation services	7,535,904	7,835,521	8,098,793	(263,272)
Environmental services	5,414,704	4,924,746	4,966,271	(41,525)
Health services	465,310	477,761	476,200	1,561
Social and family services	7,208,479	7,747,779	7,783,150	(35,371)
Recreation and cultural services	3,932,697	3,725,560	3,898,175	(172,615)
Planning and development	536,579	923,661	931,623	(7,962)
	33,895,281	34,859,673	35,005,045	(145,372)
Net Appropriations (To) From Other Funds				
Reserves	(649,304)	(270,758)	-	270,758
Reserve funds	55,972	(407,148)	-	407,148
Capital operations	(1,027,953)	(1,060,718)	(1,399,881)	(339,163)
	(1,621,285)	(1,738,624)	(1,399,881)	(338,743)
Surplus (Deficit) for the year	287,606	(57,125)	(217,520)	160,395
Surplus (Deficit) at the beginning of the year	(70,086)	217,520	217,520	-
Surplus at the end of the year	217,520	160,395	-	160,395

Schedule 2

CITY OF TIMMINS

ANALYSIS OF CAPITAL OPERATIONS

FOR YEAR ENDED DECEMBER 31, 1985

	1985 Actual	1984 Actual
	$	$
Source of Funds		
Long-term liabilities incurred	2,262,587	3,066,867
Canada grants	11,704	-
Ontario grants	3,262,376	6,746,932
Other	130,292	338,808
Appropriations from other funds		
- current operations	1,060,718	1,027,953
- reserves (net)	537,955	564,700
- reserve funds (net)	409,565	218,586
	7,675,197	11,963,846
Expenditures		
General government	11,580	228,830
Protection to persons and property	115,898	145,798
Transportation services	2,113,195	1,657,257
Environmental services	3,070,532	7,749,845
Health services	10,591	-
Social and family services	568	5,000
Recreation and cultural services	803,760	379,370
Planning and development	1,678,401	1,801,809
	7,804,525	11,967,909
Unapplied capital receipts at the beginning of the year	938,557	942,620
Unapplied capital receipts at the end of the year	809,229	938,557

Schedule 3

CITY OF TIMMINS

ANALYSIS OF RESERVES AND RESERVE FUNDS

FOR YEAR ENDED DECEMBER 31, 1985

RESERVES	Total	Replacement of Public Works Equipment	Working Funds	Elections	MRCA Project	Designated Capital Projects
	$	$	$	$	$	$
Balance at the beginning of the year	702,502	98,662	401,339	75,000	127,501	-
Appropriations from (to) Current Operations	270,758	161,759	-	(50,000)	(127,501)	286,500
Appropriations to (from) Capital Operations	(537,955)	(251,455)	-	-	-	(286,500)
Balance at the end of the year	435,305	8,966	401,339	25,000	-	-

RESERVE FUNDS

	Total	Sick Leave	Recreational Land (The Planning Act)	Parking	General Municipal Purpose Reserve	Land	Impost Fees	Hospital Purposes
	$	$	$	$	$	$	$	$
Balance at the beginning of the year	4,177,058	715,101	45,499	458,790	540,016	1,224,405	314,707	878,540
Revenue								
Interest earned	469,922	85,492	7,881	19,359	56,314	123,609	40,806	136,461
Contributions from Current Operations	407,148	-	-	407,148	-	-	-	-
Contributions from Capital Operations	-	-	-	-	-	-	-	-
Sale of land	190,948	-	-	-	-	190,948	-	-
Contributions from developers	301,645	-	23,300	-	-	-	278,345	-
	1,369,663	85,492	31,181	426,507	56,314	314,557	319,151	136,461
Expenditures								
Contributions to Current Operations	-	-	-	-	-	-	-	-
Contributions to Capital Operations	409,565	-	-	376,071	-	33,494	-	-
Payment to District Hospital Board	300,000	-	-	-	-	-	-	300,000
	709,565	-	-	376,071	-	33,494	-	300,000
Balance at the end of the year	4,837,156	800,593	76,680	509,226	596,330	1,505,468	633,858	715,001

BOARD OF MANAGEMENT OF THE DOWNTOWN TIMMINS

BUSINESS IMPROVEMENT AREA

FINANCIAL STATEMENTS

FOR YEAR ENDED DECEMBER 31, 1985

Ross, Pope & Company
Chartered Accountants

TELEPHONE 264-9484
101 CEDAR STREET SOUTH
TIMMINS, ONTARIO
P4N 2G7

AUDITORS' REPORT

To the Members of Council, Inhabitants and
Ratepayers of the Corporation of the
City of Timmins

We have examined the balance sheet of the Board of Management of the Downtown Timmins Business Improvement Area as at December 31, 1985 and the statement of operations and deficit for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Board of Management of the Downtown Timmins Business Improvement Area as at December 31, 1985 and the results of its operations for the year then ended in accordance with accounting principles prescribed for Ontario municipalities applied on a basis consistent with that of the preceding year.

Ross, Pope & Company

ROSS, POPE & COMPANY,
CHARTERED ACCOUNTANTS.

Timmins, Ontario,
June 10, 1986.

Licence No. 1049

Statement 1

BOARD OF MANAGEMENT OF THE DOWNTOWN TIMMINS

BUSINESS IMPROVEMENT AREA

BALANCE SHEET

AS AT DECEMBER 31, 1985

Assets

	1985	1984
	$	$
Current Assets		
Due from the City of Timmins - Revenue Fund	-	-

Liabilities and Equity

Current Liabilities		
Due to the City of Timmins - Revenue Fund	5,687	15,730
Deficit at end of year	(5,687)	(15,730)
	-	-

NOTES TO FINANCIAL STATEMENTS

FOR YEAR ENDED DECEMBER 31, 1985

1. Established

The Board of Management of the Downtown Timmins Business Improvement Area was established by By-Law No. 1978-1145.

2. Consolidation

The figures contained in these financial statements are consolidated into the operations and statements of the City of Timmins.

BOARD OF MANAGEMENT OF THE DOWNTOWN TIMMINS

BUSINESS IMPROVEMENT AREA

STATEMENT OF OPERATIONS AND DEFICIT

FOR YEAR ENDED DECEMBER 31, 1985

	1984 Actual	1985 Actual	1985 Budget
	$	$	$
Sources of Financing			
Taxation			
Business Improvement Area levy	85,775	107,106	101,220
Grants			
Government of Canada	-	-	-
Province of Ontario	1,593	1,473	-
	87,368	108,579	101,220
Expenditures			
Salaries, wages and employee benefits	14,523	9,899	9,600
Promotion and advertising	42,760	27,328	22,070
Decorations and beautification	726	6,677	2,840
Planning and revitalization	37,453	37,367	37,450
Administration	12,077	17,265	13,530
	107,539	98,536	85,490
Excess of financing over (under) expenditures	(20,171)	10,043	15,730
Surplus (Deficit) at beginning of year	4,441	(15,730)	(15,730)
Deficit at end of year	(15,730)	(5,687)	-

TIMMINS ECONOMIC DEVELOPMENT CORPORATION

FINANCIAL STATEMENTS

FOR YEAR ENDED DECEMBER 31, 1985

Ross, Pope & Company
Chartered Accountants

TELEPHONE 264-9484
101 CEDAR STREET SOUTH
TIMMINS, ONTARIO
P4N 2G7

AUDITORS' REPORT

To the Members of Council, Inhabitants and
Ratepayers of the Corporation of the
City of Timmins

We have examined the balance sheet of the Timmins Economic Development Corporation as at December 31, 1985 and the statement of operations and surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Timmins Economic Development Corporation as at December 31, 1985 and the results of its operations for the year then ended in accordance with accounting principles prescribed for Ontario municipalities applied on a basis consistent with that of the preceding year.

Ross, Pope & Company

Timmins, Ontario,
June 10, 1986.

ROSS, POPE & COMPANY,
CHARTERED ACCOUNTANTS.

Licence No. 1049

Statement 1

TIMMINS ECONOMIC DEVELOPMENT CORPORATION

BALANCE SHEET

AS AT DECEMBER 31, 1985

Assets

	1985	1984
	$	$
Current Assets		
Due from the City of Timmins - Revenue Fund	14,224	9,451
Equity		
Surplus at end of year	14,224	9,451

NOTES TO FINANCIAL STATEMENTS

FOR YEAR ENDED DECEMBER 31, 1985

1. Established

The Timmins Economic Development Corporation was established by letters patent dated June 17, 1983.

2. Consolidation

The figures contained in these financial statements are consolidated into the operations and statements of the City of Timmins.

TIMMINS ECONOMIC DEVELOPMENT CORPORATION

STATEMENT OF OPERATIONS AND SURPLUS

FOR YEAR ENDED DECEMBER 31, 1985

	1984 Actual	1985 Actual	1985 Budget
	$	$	$
Sources of Financing			
Grants			
Province of Ontario	25,346	41,250	37,500
City of Timmins	96,000	96,000	96,000
	121,346	137,250	133,500
Expenditures			
Salaries, wages and employee benefits	62,156	63,884	64,401
Promotion and advertising	5,225	2,350	6,700
Tourism and receptions	12,935	1,772	12,500
Study costs	24,862	55,000	50,000
Administration	8,457	9,471	9,350
	113,635	132,477	142,951
Excess of financing over (under) expenditures	7,711	4,773	(9,451)
Surplus at beginning of year	1,740	9,451	9,451
Surplus at end of year	9,451	14,224	-

MATTAGAMI REGION CONSERVATION AUTHORITY

FINANCIAL STATEMENTS

FOR YEAR ENDED DECEMBER 31, 1985

MATTAGAMI REGION CONSERVATION AUTHORITY

APPOINTED MEMBERS

Representing:	
City of Timmins	- Alderman L. Battochio
	- H.R. Bielek
	- Alderman F. Krznaric
	- Alderman D. Welin
	- Alderman E.R. White (Chairman)
Province of Ontario	- Mr. A. Ciccone
	- Mrs. C. Eley (Vice-Chairman)
	- Mr. J. Murphy

Officer

Secretary - Manager	- Mr. Brian J. Tees

Ross, Pope & Company
Chartered Accountants

TELEPHONE 264-9484
101 CEDAR STREET SOUTH
TIMMINS, ONTARIO
P4N 2G7

AUDITORS' REPORT

To the Members of the
Mattagami Region Conservation Authority

We have examined the balance sheet of the Mattagami Region Conservation Authority as at December 31, 1985 and the statement of operations and surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Mattagami Region Conservation Authority as at December 31, 1985 and the results of its operations for the year then ended in accordance with the accounting principles prescribed for Ontario Conservation Authorities, applied on a basis consistent with that of the preceding year.

Ross, Pope & Company

Timmins, Ontario,
March 31, 1986.

ROSS, POPE & COMPANY,
CHARTERED ACCOUNTANTS.

Licence No. 1049

Statement 1

MATTAGAMI REGION CONSERVATION AUTHORITY

(ESTABLISHED UNDER THE CONSERVATION AUTHORITIES ACT OF ONTARIO)

BALANCE SHEET

AS AT DECEMBER 31, 1985

Assets

	1985	1984
	$	$
Cash	25	421
Accounts receivable		
Government grants	244,281	245,127
	244,306	245,548

Liabilities

Bank overdraft	63,116	-
Accounts payable	24,672	80,812
Bank loan payable (Note 2)	139,100	162,200
	226,888	243,012

Equity

Surplus (Statement 2)	17,418	2,536
	244,306	245,548

MATTAGAMI REGION CONSERVATION AUTHORITY

STATEMENT OF OPERATIONS AND SURPLUS

FOR YEAR ENDED DECEMBER 31, 1985

	1985 Budget	1985 Actual	1984 Actual
	$	$	$
Revenue			
Government grants			
- Ministry of Natural Resources	1,132,924	1,095,298	847,837
- Federal	33,280	33,280	-
Municipal levies - general	217,987	217,501	131,353
Investment income	16,820	15,568	10,297
Vehicle and equipment income	-	-	1,606
	1,401,011	1,361,647	991,093
Expenditure			
Administration	150,869	149,296	139,887
Water and related land management	1,152,322	1,113,853	834,070
Conservation and recreation land management	32,576	11,241	3,974
Non-subsidized expenditure	12,000	13,759	11,893
Experience program expenditure	22,500	23,466	24,981
Employment incentive program expenditure	33,280	33,280	-
Vehicle and equipment expenditures	-	1,870	-
	1,403,547	1,346,765	1,014,805
Excess (deficiency) of revenue over expenditure	-	14,882	(23,712)
Surplus at beginning of year	2,536	2,536	26,248
Surplus at end of year	-	17,418	2,536

MATTAGAMI REGION CONSERVATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

FOR YEAR ENDED DECEMBER 31, 1985

1. Accounting Policies

(a) Accrual Accounting

The financial statements of the Authority have been prepared on the accrual basis.

(b) Fixed Assets

The purchase of fixed assets are expensed in the year of purchase as these are funded from current revenues.

2. Bank Loan Payable

The bank loan is payable on demand and bears interest at the Canadian Imperial Bank of Commerce prime rate.

3. Liability for Vested Sick Leave Benefits

Under the sick leave benefit plan, unused sick leave may accumulate and employees may become entitled to a cash payment when they leave the Authority's employment.

The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on terminating, amounted to $32,815 at the end of the year. No provision has been made for this liability.

4. Contingent Liabilities

For various reasons the contract for the dredging of Gillies Lake was terminated late in 1985. It is understood that the contractor may file a claim for an undertermined amount persuant to the contract.

One of the property owners whose lands were expropriated for the Gillies Lake project could still file for arbitration on the appraised land value and additional costs could be incurred.

The Authority and other parties have been named in a statement of claim for a substantial amount following an incident on Authority owned land and the matter is presently in the hands of the Authority's insurers.

THE PORCUPINE HEALTH UNIT

FINANCIAL STATEMENTS

FOR YEAR ENDED DECEMBER 31, 1985

Ross, Pope & Company
Chartered Accountants

TELEPHONE 264-9484
101 CEDAR STREET SOUTH
TIMMINS, ONTARIO
P4N 2G7

AUDITORS' REPORT

To the Board of Health of The Porcupine Health Unit

We have examined the balance sheet of The Porcupine Health Unit as at December 31, 1985 and the statements of operating fund revenue and expenditure, separate programs operations, changes in appropriated and unappropriated operating fund balance and statement of equity in fixed assets for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Health Unit as at December 31, 1985 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Ross, Pope & Company

Timmins, Ontario,
March 25, 1986.

ROSS, POPE & COMPANY,
CHARTERED ACCOUNTANTS.

Licence No. 1049

THE PORCUPINE HEALTH UNIT

BALANCE SHEET

AS AT DECEMBER 31, 1985

Assets	1985	1984*
	$	$
OPERATING FUND		
Current Assets		
Cash	-	132,227
Short-term investments	167,333	254,063
Other receivables	90,923	39,932
Due from Province of Ontario	116,452	9,560
Receivable from building trust (Note 2)	187,482	178,335
Inventory of supplies	15,990	-
Prepaid expenses	2,205	-
	580,385	614,117
CAPITAL FUND		
Fixed Assets (Note 1(b))		
Vehicles, equipment and leasehold improvements	429,433	396,109
Accumulated depreciation and amortization	192,425	159,202
	237,008	236,907
	817,393	851,024

Liabilities, Fund Balance and Equity	1985	1984*
	$	$
OPERATING FUND		
Current Liabilities		
Bank overdraft	78,942	-
Accounts payable	95,114	110,350
Separate programs balances (Statement 3) (Note 1(d))	47,842	182,213
	221,898	292,563
Operating Fund Balance (Statement 4) (Note 3)	358,487	321,554
	580,385	614,117
CAPITAL FUND		
Equity in Fixed Assets (Statement 5)	237,008	236,907
	817,393	851,024

* Restated Note 4

THE PORCUPINE HEALTH UNIT

STATEMENT OF OPERATING FUND REVENUE AND EXPENDITURE

FOR YEAR ENDED DECEMBER 31, 1985

	1985	1984
	$	$
Revenue	2,312,024	2,206,597
Expenditure		
Administrative	224,953	222,570
Fixed asset additions	18,113	38,667
Material and supplies	18,581	24,369
Occupancy	179,643	158,892
Service fees and honoraria	41,966	35,269
Travel	113,795	112,281
Wages	1,474,622	1,395,598
Employee benefits	254,426	221,682
	2,326,099	2,209,328
Less shareable costs (Note 1(f))	(51,008)	(38,209)
	2,275,091	2,171,119
Excess of Operating Fund Revenue over Expenditure for year	36,933	35,478

THE PORCUPINE HEALTH UNIT

STATEMENT OF SEPARATE PROGRAMS OPERATIONS

FOR YEAR ENDED DECEMBER 31, 1985

	Chiropody	Family Planning	Speech Pathologist & Audiologist	Genetic Clinic	Environmental Services	Unorganized Territories	Infant Stimulation	1985	1984
	$	$	$	$	$	$	$	$	$
Surplus (Deficit) at beginning of year	-	(5,139)	92,399	9,569	(8,567)	87,034	6,917	182,213	38,298
Add:									
Adjustment of prior years' grants	-	1,779	-	-	-	-	-	1,779	(18,586)
Revenue - grants and interest	5,268	93,826	145,928	32,148	62,442	260,904	-	600,516	720,060
	5,268	95,605	145,928	32,148	62,442	260,904	-	602,295	701,474
	5,268	90,466	238,327	41,717	53,875	347,938	6,917	784,508	739,772
Expenses									
Administrative	276	5,654	15,297	1,871	5,700	17,537	-	51,537	42,324
Equipment	5,830	2,045	5,392	189	-	1,755	-	15,211	16,044
Fees and honoraria	-	11,177	1,265	2,906	5,705	2,718	-	18,569	13,974
Materials and supplies	7,248	3,857	3,672	688	104	3,816	-	19,385	16,581
Return of grant	-	-	-	9,569	-	87,034	-	96,603	25,656
Shareable costs (Note 1(f))	-	12,044	18,398	4,041	-	16,525	-	51,008	38,209
Travel	236	7,286	6,142	2,924	5,848	21,094	-	43,530	34,423
Wages and fringe benefits	10,921	49,036	118,464	16,845	48,982	196,575	-	440,823	370,348
	24,511	91,099	168,630	39,033	66,339	347,054	-	736,666	557,559
Surplus (Deficit) at end of year	(19,243)	(633)	69,697	2,684	(12,464)	884	6,917	47,842	182,213

Statement 4

THE PORCUPINE HEALTH UNIT

STATEMENT OF CHANGES IN APPROPRIATED AND UNAPPROPRIATED OPERATING FUND BALANCE

FOR YEAR ENDED DECEMBER 31, 1985

	Unappropriated Operating	Appropriated (Note 3) Asset Repair & Replacement	Sick Leave	Total
	$	$	$	$
Balance at beginning of year	-	83,904	237,650	321,554
Excess of Operating Fund Revenue over Expenditure for year	36,933	-	-	36,933
Current year appropriations	(36,933)	36,933	-	-
Balance at end of year	-	120,837	237,650	358,487

Statement 5

THE PORCUPINE HEALTH UNIT

STATEMENT OF EQUITY IN FIXED ASSETS

FOR YEAR ENDED DECEMBER 31, 1985

	1985	1984
	$	$
Balance at beginning of year	947,903	891,890
Prior period adjustment (Note 4)		
Capitalize prior years separate program assets	-	80,171
Transfer of land, building and mortgage	(710,996)	(754,974)
Balance at beginning of year as restated	236,907	217,087
Add:		
Fixed asset additions from operating fund	18,113	38,667
Fixed asset additions from separate programs	15,211	16,044
	33,324	54,711
	270,231	271,798
Deduct:		
Depreciation	33,223	34,891
Balance at end of year	237,008	236,907

THE PORCUPINE HEALTH UNIT

NOTES TO FINANCIAL STATEMENTS

FOR YEAR ENDED DECEMBER 31, 1985

1. Accounting Policies

(a) Basis of Accounting

The Health Unit does not include in costs any amounts for goods or services which have not been received or rendered within the fiscal year.

(b) Capital Fund Assets

All fixed assets are stated at cost. Depreciation is claimed against equity in fixed assets on a declining balance basis using the following rates:

Office Equipment	10%
Clinical Equipment	10%
Vehicles	30%

Leasehold improvements are being amortized on a straight line basis over a 10 year period.

(c) Operations

Except for certain specific programs, the cost of operations of the Health Unit are shared on the basis of 75% from the Province of Ontario and 25% from participating municipalities. The municipalities' share is contributed by a per capita levy ($6.27 in 1985). Excess revenues over expenditures after adjustment of the Province's accounts are credited to the operating fund of the Health Unit.

(d) Separate Programs Operations

Certain grants received by the Health Unit are deferred pending the expenditure of these funds for the specified program. When these expenditures are made, the amounts are charged against the balances as detailed in Statement 3.

(e) Home Care Program

The accounts of the Home Care Program are not included in these financial statements. The Unit operates this program as an agency of the Province of Ontario and its accounts do not form part of the Unit's operations. This program operates on a provincial year ending March 31st, not a calendar.

THE PORCUPINE HEALTH UNIT

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FOR YEAR ENDED DECEMBER 31, 1985

1. Accounting Policies (Cont'd)

(f) Shareable Costs

The Health Unit allocates costs to separate programs on the basis of a Ministry of Health calculation of shareable costs.

2. Receivable from Building Trust

From time to time the Board of Health of the Porcupine Health Unit advances funds to the Building Trust in order that the Building Trust may meet its obligations with respect to mortgage debt repayment and/or fixed asset additions which the Ministry of Health has not approved in the Unit's budget. These advances are non-interest bearing with no fixed terms of repayment.

3. Appropriated Operating Funds

(a) Equipment Replacement

The Board of Directors has approved the appropriation of operating funds for future equipment replacements.

(b) Sick Leave

The Board of Directors has approved the appropriation of operating funds for potential sick leave liability. Unused sick leave can accumulate and employees are entitled to a cash payment equivalent upon termination of employment. Payments of sick leave are charged to operations in the year of payment and during 1985, the amount of $17,680 represented 418.5 days of sick leave.

4. Comparative Balances

The land and building which accommodates the Health Unit operations in Timmins is owned jointly by the member municipalities and administered only by the Board of Health of the Health Unit under a separate trust agreement. The comparative 1984 financial statement balances have been restated to reflect this.

THE BOARD OF HEALTH OF

THE PORCUPINE HEALTH UNIT BUILDING TRUST

FINANCIAL STATEMENTS

FOR YEAR ENDED DECEMBER 31, 1985

Ross, Pope & Company
Chartered Accountants

TELEPHONE 264-9484
101 CEDAR STREET SOUTH
TIMMINS, ONTARIO
P4N 2G7

AUDITORS' REPORT

To the Member Municipalities of the Board of Health of
the Porcupine Health Unit Building Trust

We have examined the balance sheet of the Board of Health of The Porcupine Health Unit Building Trust as at December 31, 1985 and the statements of revenue and expenditure and equity in fixed assets for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Board of Health of The Porcupine Health Unit Building Trust as at December 31, 1985 and the results of its operations for the year then ended in accordance with the basis of accounting as described in Note 1 applied consistently with that of the preceding year.

Ross, Pope & Company

Timmins, Ontario,
March 25, 1986.

ROSS, POPE & COMPANY,
CHARTERED ACCOUNTANTS.

Licence No. 1049

Statement 1

THE BOARD OF HEALTH OF THE PORCUPINE HEALTH UNIT BUILDING TRUST

BALANCE SHEET

AS AT DECEMBER 31, 1985

Assets

	1985	1984
	$	$
Fixed Assets		
Land, building and equipment (Note 1)	1,509,115	1,494,672
Accumulated depreciation	308,787	252,023
	1,200,328	1,242,649

Liabilities and Equity

Current Liabilities		
Accounts payable and accrued liabilities	1,850	-
Long-term Debt		
Due to Porcupine Health Unit (Note 2)	187,481	178,335
Mortgage payable (Note 3)	322,280	353,318
	509,761	531,653
Equity in Fixed Assets	688,717	710,996
	1,200,328	1,242,649

Statement 2

STATEMENT OF REVENUE AND EXPENDITURE

FOR YEAR ENDED DECEMBER 31, 1985

	1985	1984
	$	$
Revenue		
Rent	120,257	122,290
Expenditure		
Maintenance and repairs	15,548	20,949
Mortgage interest	49,674	53,768
Professional fees	-	9,574
Utilities	20,550	22,988
	85,772	107,279
Excess Revenue over Expenditure	34,485	15,011

THE BOARD OF HEALTH OF THE PORCUPINE HEALTH UNIT BUILDING TRUST

STATEMENT OF EQUITY IN FIXED ASSETS

FOR YEAR ENDED DECEMBER 31, 1985

	1985	1984
	$	$
Balance at beginning of year	710,996	754,977
Add:		
Excess Revenue over Expenditure	34,485	15,011
Deduct:		
Depreciation	(56,764)	(58,992)
Balance at end of year	688,717	710,996

NOTES TO FINANCIAL STATEMENTS

FOR YEAR ENDED DECEMBER 31, 1985

1. Accounting Policies

(a) Basis of Accounting

These financial statements have been prepared in accordance with the accounting principles prescribed for Ontario municipalities except for the recording of fixed assets. All fixed assets are stated at cost. Depreciation is provided on the declining balance basis at a rate of 5% per annum.

2. Due to Porcupine Health Unit

From time to time, the Board of Health of the Porcupine Health Unit advances funds to the Building Trust in order that the Building Trust may meet its current obligations with respect to mortgage debt repayment and/or purchases of fixed assets which the Ministry of Health has not approved in the Health Unit's budget. These advances are non-interest bearing with no fixed terms of repayment.

3. Mortgage Payable

The 15% mortgage is repayable in monthly instalments of $5,819 including interest and is secured by a charge on the land and building. The mortgage matures October 1986 however, it is expected that it will be renewed at that time.

THE CITY OF TIMMINS NON-PROFIT HOUSING CORPORATION

FINANCIAL STATEMENTS

FOR YEAR ENDED DECEMBER 31, 1985

Ross, Pope & Company
Chartered Accountants

TELEPHONE 264-9484
101 CEDAR STREET SOUTH
TIMMINS, ONTARIO
P4N 2G7

AUDITORS' REPORT

To the Board of Directors of
The City of Timmins Non-Profit Housing Corporation

We have examined the balance sheet of The City of Timmins Non-Profit Housing Corporation as at December 31, 1985 and the statements of operations and deficit for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the corporation as at December 31, 1985 and the results of its operations for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that cf the preceding year.

Ross, Pope & Company

Timmins, Ontario,
June 19, 1986.

ROSS, POPE & COMPANY,
CHARTERED ACCOUNTANTS.

Licence No. 1049

Statement 1

THE CITY OF TIMMINS NON-PROFIT HOUSING CORPORATION

BALANCE SHEET

AS AT DECEMBER 31, 1985

Assets

	1985	1984
	$	$
Current Assets		
Cash	12,820	11,076
Property, Plant and Equipment		
Construction in progress (Note 1)	49,976	13,041
	62,796	24,117

Liabilities

Current liabilities		
Accounts payable	4,828	8,996
Promissory Note		
Ministry of Housing (Note 2)	60,932	15,384
	65,760	24,380

Deficit

Deficit at end of year	(2,964)	(263)
	62,796	24,117

THE CITY OF TIMMINS NON-PROFIT HOUSING CORPORATION

STATEMENT OF OPERATIONS AND DEFICIT

FOR YEAR ENDED DECEMBER 31, 1985

	1985	1984*
	$	$
Revenue	-	-
Expenses		
Administration	2,694	-
Bank charges	7	7
Incorporation costs	-	256
	2,701	263
Operating loss	2,701	263
Deficit at beginning of year	263	-
Deficit at end of year	2,964	263

* Results for nine month period

NOTES TO FINANCIAL STATEMENTS

FOR YEAR ENDED DECEMBER 31, 1985

1. Accounting Policies

(a) Operations

The Corporation is in the process of constructing a residential rental property.

(b) Construction in Progress

The cost of the construction project in progress includes all costs associated with obtaining land and design of the building.

2. Promissory Note: Ministry of Housing

This note is an interest free advance from the Ministry of Housing which will be repaid out of the first mortgage advance on the project.

3. Subsequent Events

In January of 1986, the Corporation obtained title to the land on which the project is being constructed for $100,000.

In February of 1986, the Corporation signed a contract for construction of a 32 unit building in the amount of $1,295,000.